

# OUR PORTFOLIO

grit

Real Estate  
Income Group



# Menu



# Our Company

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## Grit Real Estate Income Group Limited Pioneers in African Real Estate

- Grit Real Estate Income Group ("Grit") is a multi-listed real estate income group operating in carefully selected African countries.
- Grit is currently listed on the Main Market of the London Stock Exchange ("LSE") and the Official Market of the Stock Exchange of Mauritius Limited ("SEM").
- We optimise our structural investments underpinned by solid property fundamentals to achieve compelling US Dollar returns.
- Our ability to sustain distribution is supported by predominantly US Dollar and Euro-denominated long-term leases, with blue-chip multinational tenants delivering strong sustainable income.
- Grit has a robust property portfolio with diversification across sectors and geography, backed by comprehensive risk mitigation policies and procedures.
- Grit has a strong management team with broad African experience and exposure, supported by in-country asset and property management teams.
- Grit has supportive anchor key shareholders committed to growing the platform.

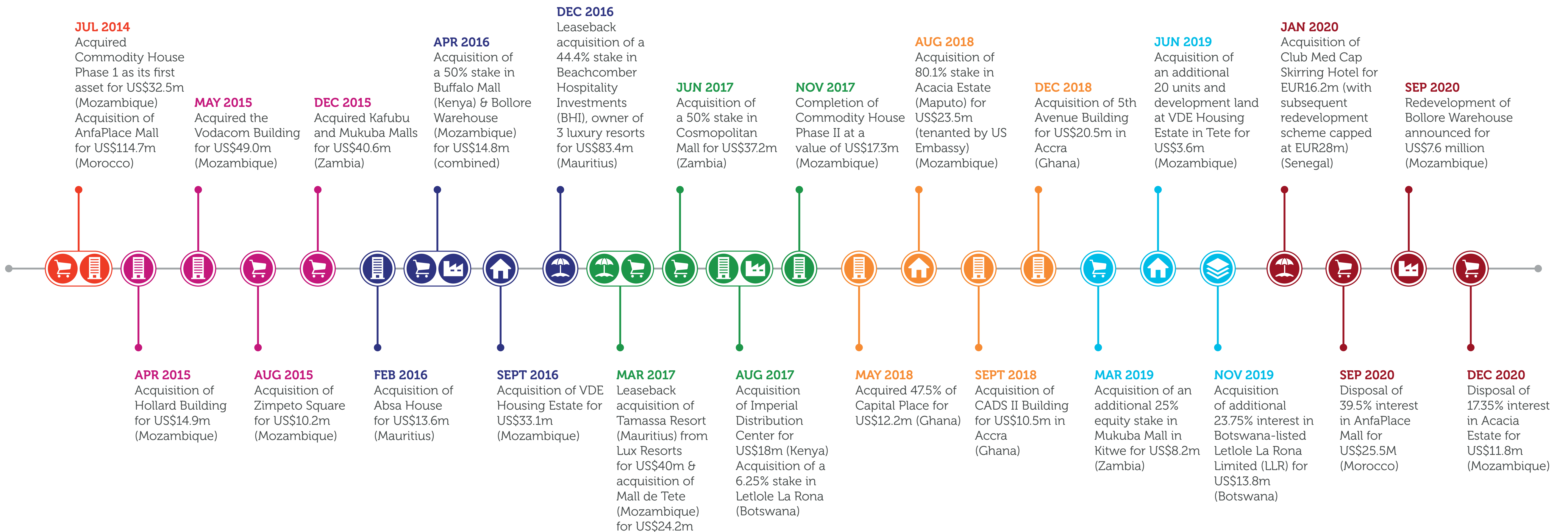


First Mauritian-based  
company to be registered  
on the Main Market of the  
London Stock Exchange



# Timeline

## Asset Dealings



## LEGEND



Retail Assets



Commercial Offices



Hospitality



Corporate Accommodation



Light Industrial

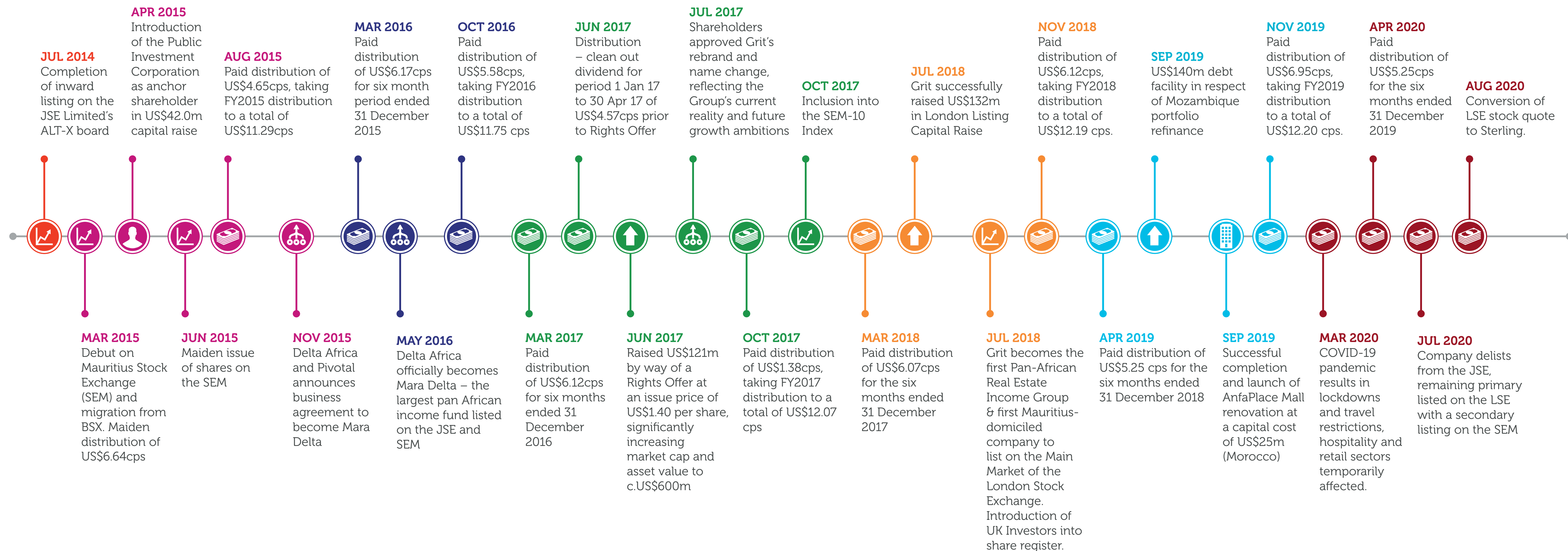


Various



# Timeline

## Key Events



## LEGEND



Market Activity



Shareholder



Paid Distribution



Company Development



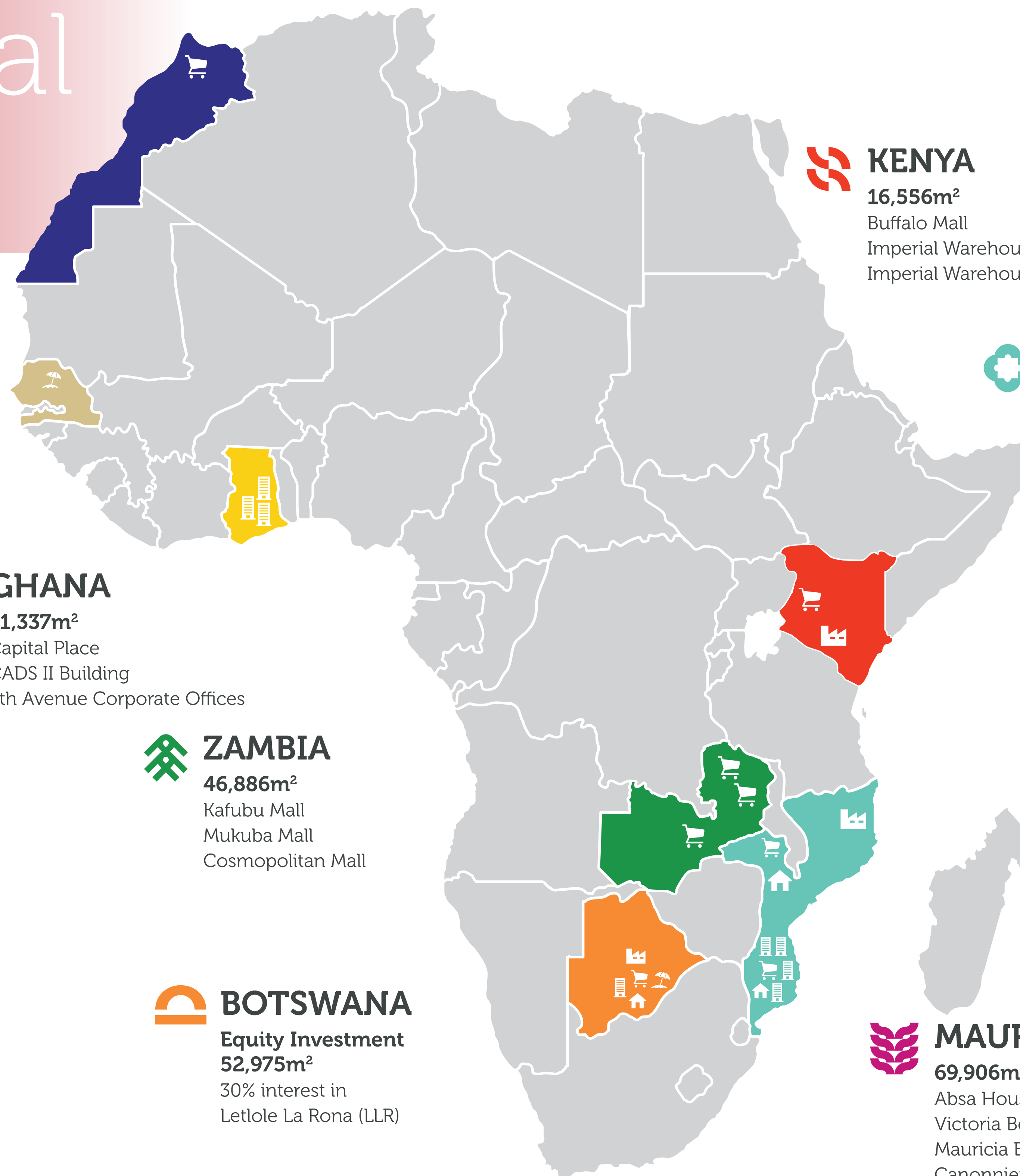
Raised Capital



Asset Development



# Geographical Presence



## Current operating countries

- |  |  |
|--|--|
|  Kenya    |  Mauritius  |
|  Morocco  |  Mozambique |
|  Zambia   |  Ghana      |
|  Botswana |  Senegal    |

- |   |
|---|
|  Retail (US\$217.8m*)                  |
|  Commercial Offices (US\$199.4m*)      |
|  Hospitality (US\$162.3m*)             |
|  Corporate Accommodation (US\$138.2m*) |
|  Light Industrial (US\$27.2m*)         |
|  LLR (US\$23.2m*)                      |

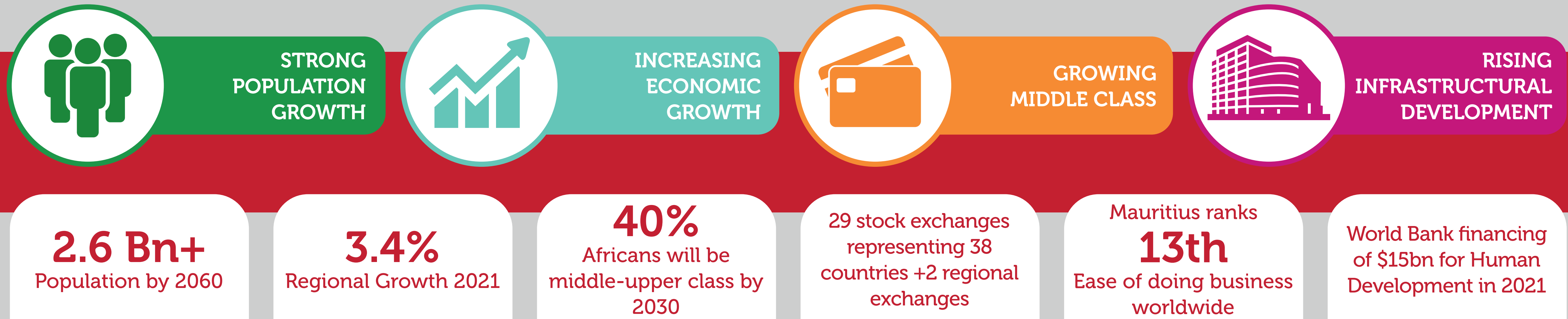
<sup>1</sup> Value as at 30 June 2020 at Grit proportionate ownership. Portfolio value includes land values for Imperial Ph2 and Buffalo Mall Ph2.

<sup>2</sup> LLR reflected separately to enable comparable analysis of portfolio against prior reporting period

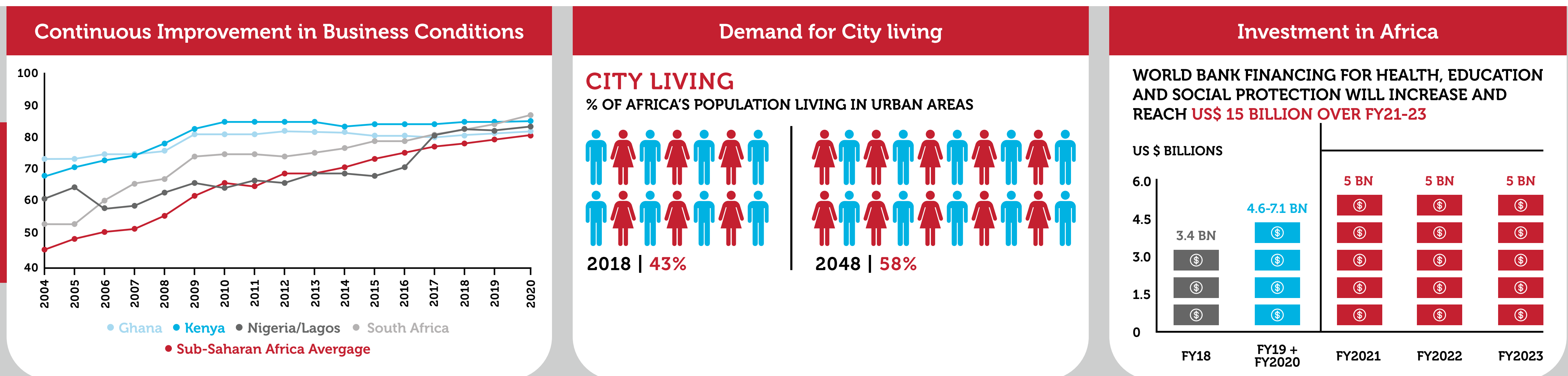


# Why Africa?

## Key Trends



## Key Insights



Source:

<https://www.imf.org/en/Publications/REO/SSA/Issues/2020/06/29/sreo0629>

<https://www.doingbusiness.org/content/dam/doingBusiness/pdf/db2020/DB20-FS-SSA.pdf>

<https://www.investopedia.com/articles/investing/100614/interested-investing-africa-heres-how.asp#:~:text=The%20African%20continent%20is%20incredibly%20rich%20in%20natural%20resources.&text=As%20such%2C%20Africa%20has%20become,relatively%20cheap%20educated%20labor%20force>

Deloitte – The Deloitte Consumer Review. Africa: A 21st century review. <https://www2.deloitte.com/ng/en/pages/consumer-business/articles/consumer-review-africa.html>

EY. Why Africa is becoming a bigger player in the global economy. [https://www.ey.com/en\\_gl/tax/why-africa-is-becoming-a-bigger-player-in-the-global-economy](https://www.ey.com/en_gl/tax/why-africa-is-becoming-a-bigger-player-in-the-global-economy)



# Investment Case

Delivering attractive, stable & sustainable shareholder returns through selective risk mitigated investments.

## **TALENTED** Team

Experienced, well-resourced team, in-country management, alignment of interests

## **CONSISTENT** Performance

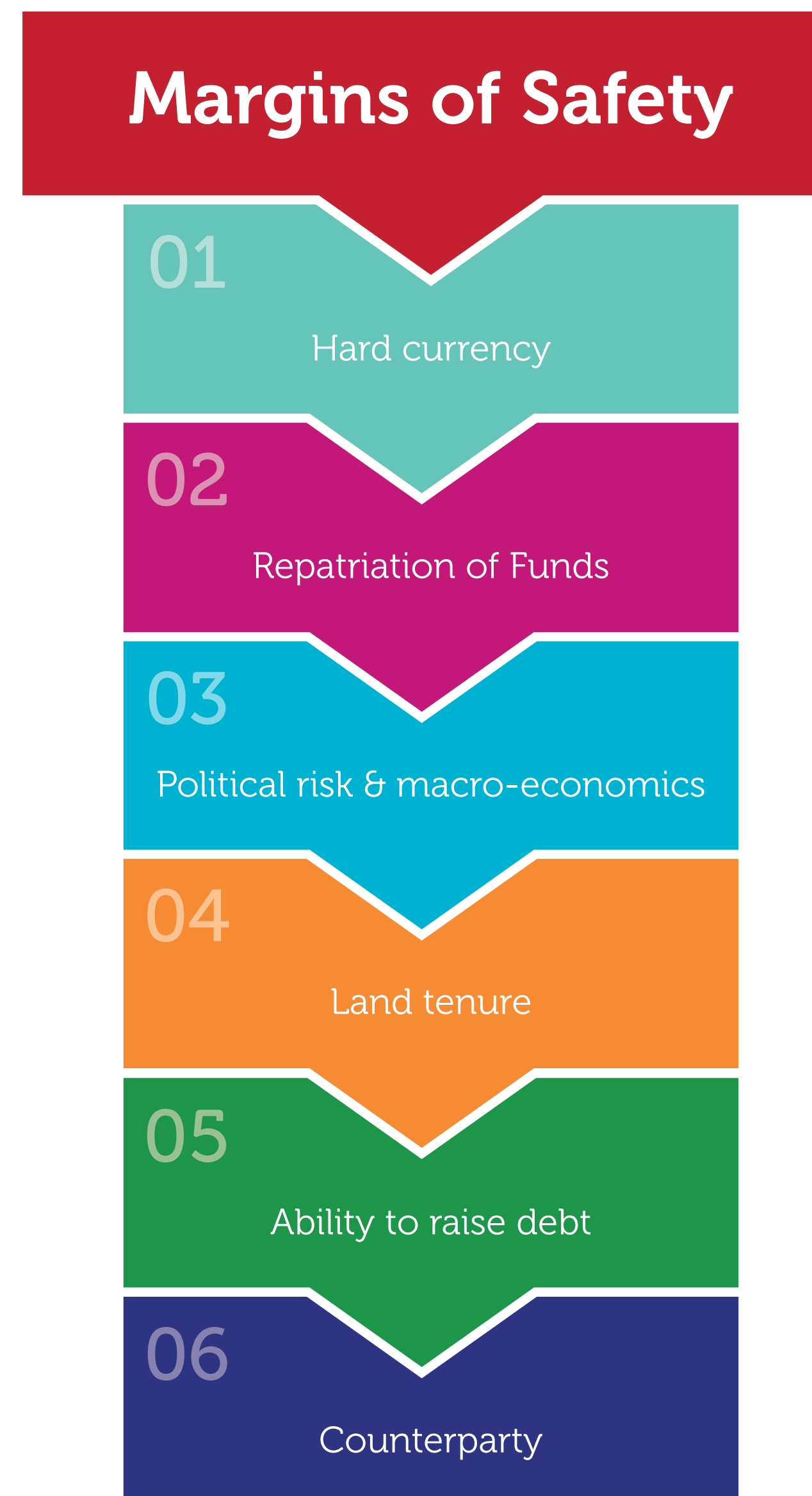
12 dividend payments since inception

## **QUALITY** Portfolio

Diversification, investment grade

## **RELATIONSHIP** Strength

Joint ventures, access to pipeline



**STRONG** & broad African management exposure

**ROBUST** risk mitigation

**COMPELLING USD** returns

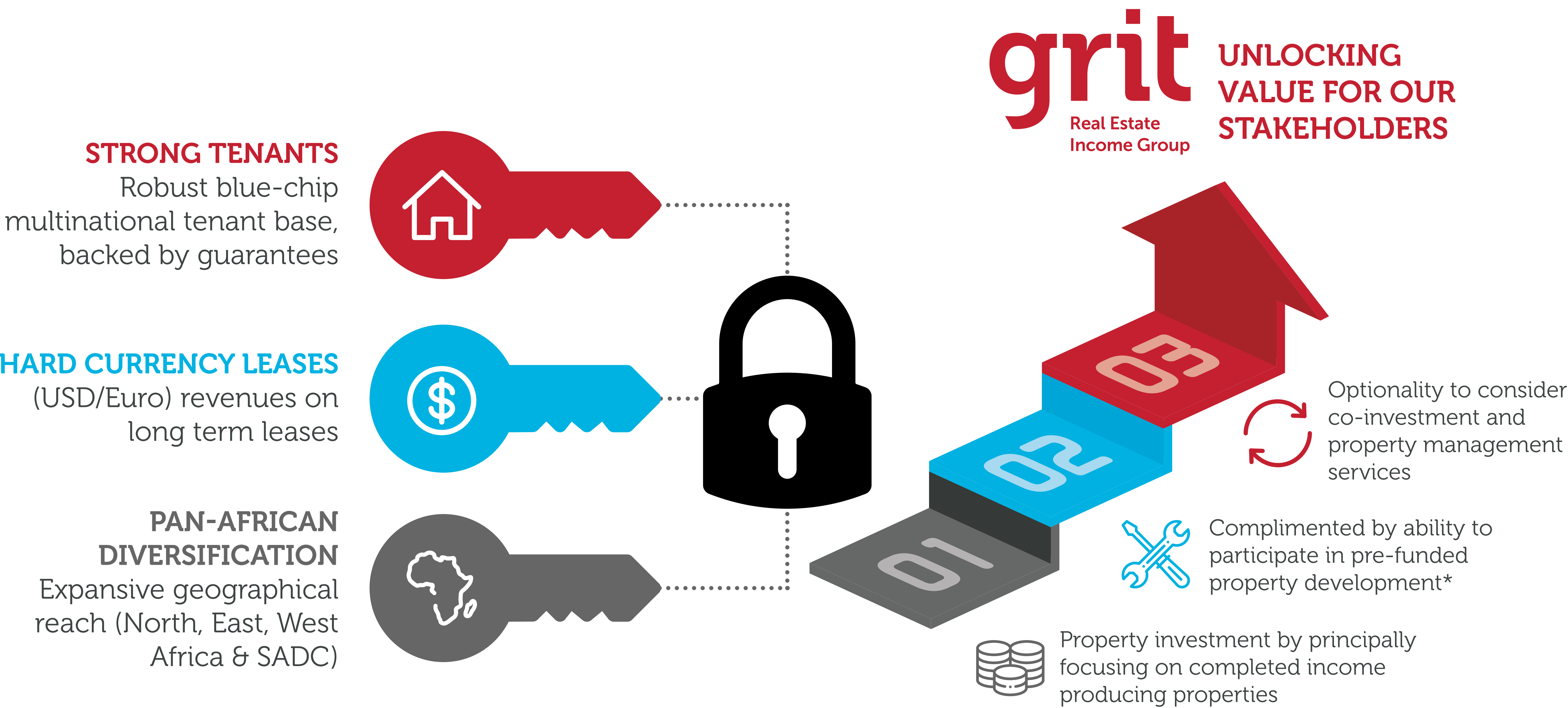
High quality long-term  
**HARD CURRENCY** income

**BLUE-CHIP**  
multinational tenants



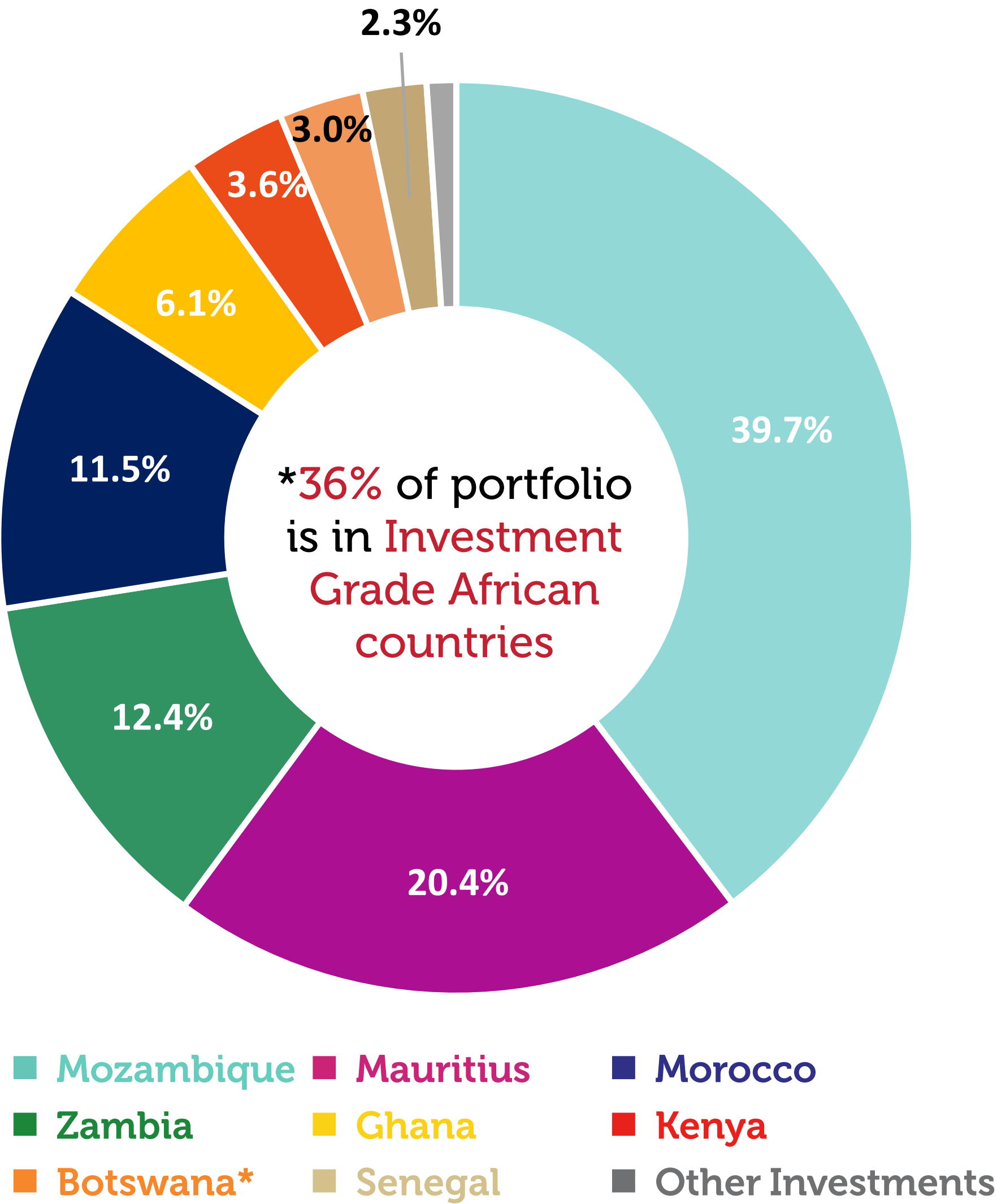
# Business Model

Our keys to successfully unlocking value



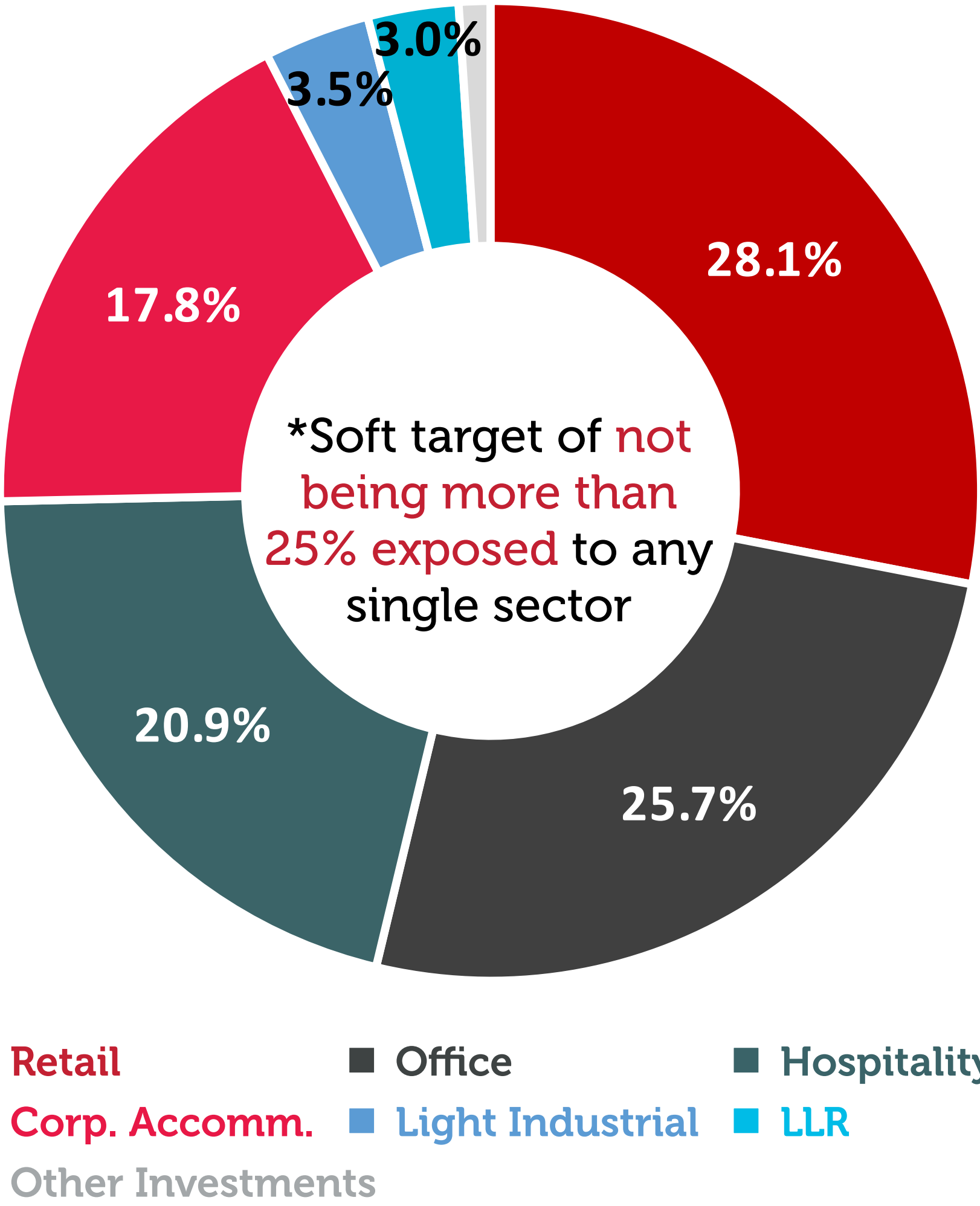
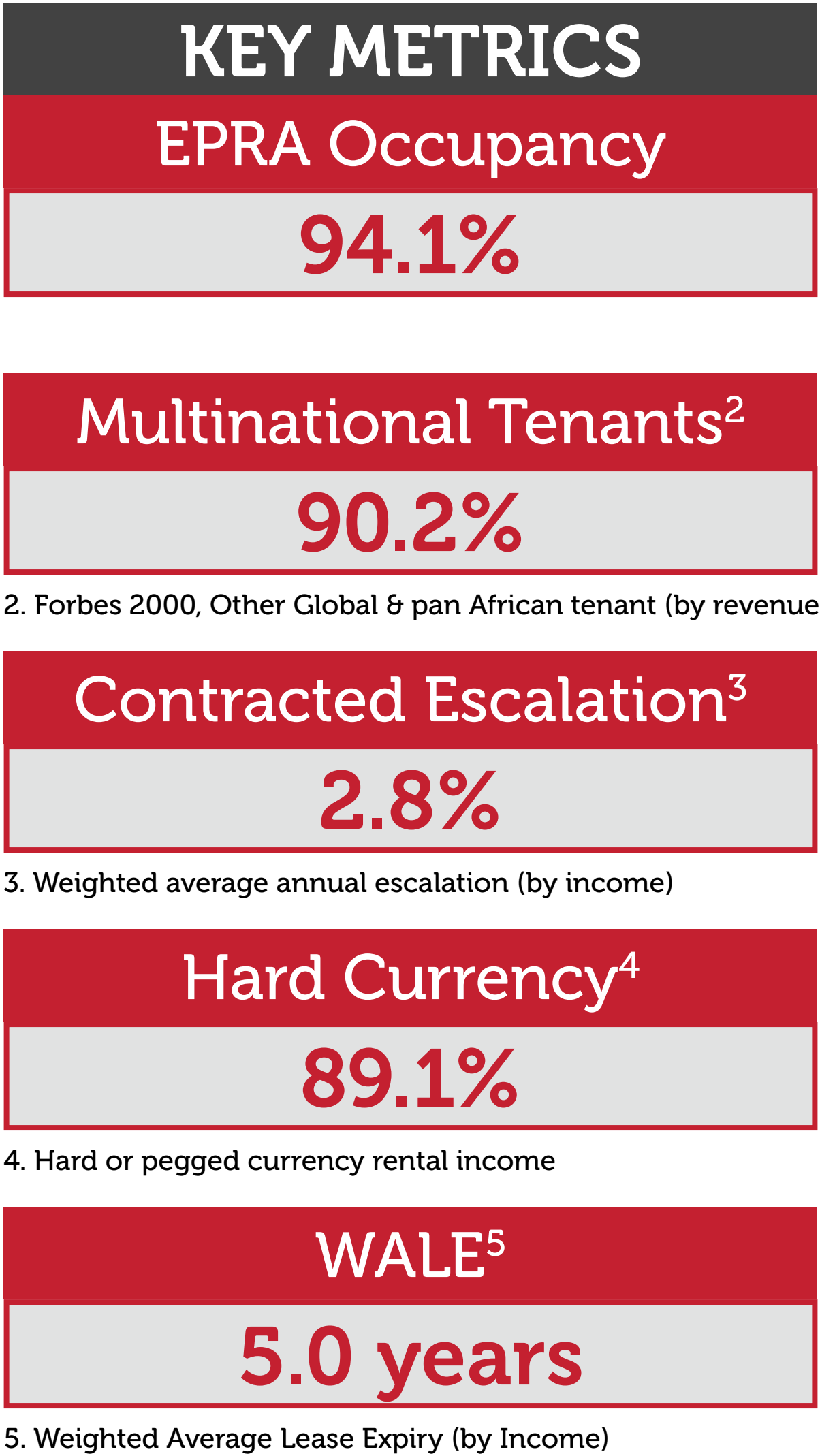


# Portfolio Characteristics (FY2020)<sup>1</sup>



Post Acacia sell down in October 2020, Mozambique exposure falls to c.39.0%

<sup>1</sup> Split by Asset Value, Grit proportionate ownership



Post Anfa sell down in September 2020, Retail sector exposure falls to c.25%



# FY2020 Highlights (30 June 2020)

Solid operational performance in a challenging environment

US\$823.5m

**Total Income  
Producing Assets<sup>1</sup>**

vs FY2019: US\$825.2m

1. 7.9% like-for-like property valuation decline offset by acquisitions for the full year

US\$1.186

**EPRA NAV  
per share<sup>2</sup>**

vs FY2019: US\$1.471

2. EPRA NAV excludes deferred tax on Property

-9.1%

**Adjusted EPRA  
Earnings per share  
growth<sup>3</sup>**

vs FY2019: +20.6%

3. Includes adjustments for deferred tax, unrealised FX movements and straight line leasing adjustments

+10.1%

**Growth in  
Revenue<sup>4</sup>**

US\$48.0m

4. Driven by escalations & acquisitions

>85%

**Covid collections<sup>5</sup>**

c.90% July-October 2020

5. As a % of Grit attributable contracted revenue between March and June 2020

US\$6.1m  
delivered profit

**First Prefunding  
Project<sup>6</sup>**

6. Inclusive of development profit share and property revaluation growth

5.9%

**WACD<sup>7</sup>**

FY2019: 6.4%

7. Driven by reductions in Libor post Refinance

July '20

**JSE Delisting**

Introducing strong African institutional shareholders



# Financial Highlights (FY2020)

Solid performance in a challenging environment

	30 June 2020	30 June 2019	Movement
Distributable earnings (US\$ cps)	9.58	12.20	(21.5%)
Dividend per share (US\$ cps)	5.25	12.20	(57.0%)
EPRA NAV per share (US\$ cps)	118.6	147.1	(19.4%)
Adjusted EPRA earnings per share (US\$ cps)	9.02	9.92	(9.1%)
EPRA cost ratio (incl. associates) (US\$ m)	14.6%	17.0%	(2.4ppt)
Gross rental income (US\$ m)	48.0	43.6	+10.1%
Property income growth	17.6%	26.0%	(8.4ppt)
Net property income (US\$ m)	38.0	32.3	+17.6%
(Loss)/Profit for the period before tax	(53.9)	39.5	(236.4%)
Total Income Producing Assets (US\$ m)	823.5	825.2	(0.2%)
Administrative cost to asset value ratio	2.0%	1.7%	0.3ppt
Group LTV	50.2%	43.1%	7.1ppt
Property LTV	46.5%	40.6%	5.9ppt
Weighted average cost of debt	5.9%	6.4%	(0.5ppt)



# Investment activities

Grit has successfully delivered \$70.4m worth of quality acquisitions and capex additions in the period



**Letlole La Rona Limited, Botswana**

**November 2019**

Increased shareholding in LLR from 6.3% to 30.0% in the company



**Vale Housing Estate, Mozambique**

**December 2019**

Expansion and handover of additional units. Additional units re-valued at US\$17.4m on completion.

Immediate NAV upside of US\$3.7m, or 26.6%.



**Club Med, Senegal**

**January 2020**

Completed the acquisition of Club Med Cap Skirring in Senegal on a fixed 12-year Euro lease, and in the process entered its 8th African jurisdiction



**AnfaPlace Mall, Morocco**

**September 2020**

Disposed of a 39.5% interest in the Mall, therefore reducing retail sector exposure to c.25%.



**Bolloré, Mozambique**

**September 2020**

Commenced redevelopment of Bolloré warehouse in Pemba, on the strength of a new 5-year lease for a budgeted contract value of US\$7.62m.



**Acacia Estate, Mozambique**

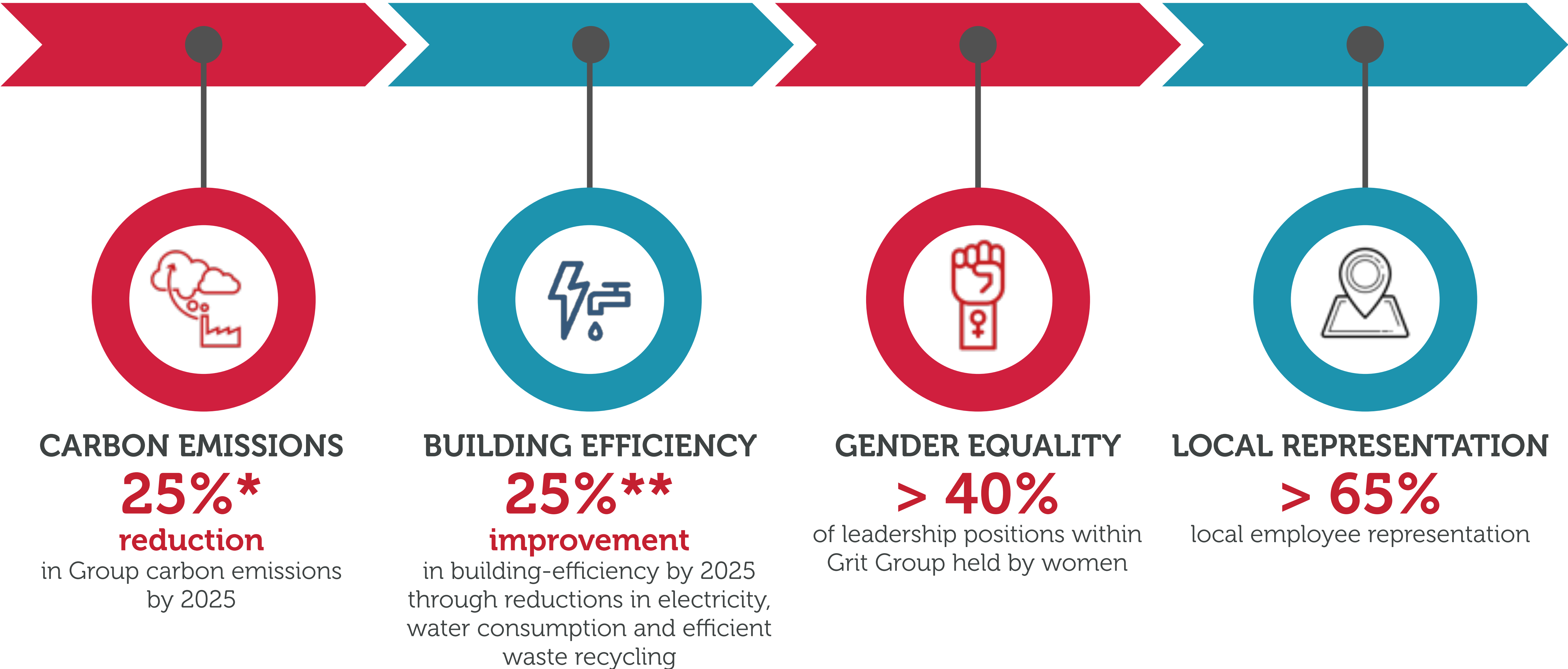
**October 2020**

Disposal of 17.35% interest in Acacia Estate down to a combined direct and indirect interest of 62.65% at an implied property valuation of c.US\$67.5m.



# Our sustainability priorities

Our Environmental, Social and Governance commitments for the next 5 years







## Mozambique



**Zimpeto Square**

LOCATION: MAPUTO

Key tenant:	VIP Spar Mocambique
EPRA Vacancy (%):	31.6%
Sector:	Retail
GLA (m <sup>2</sup> ):	4,752
Valuation (US\$'000):	5,848
Valuer:	REC



**Bollore Warehouse**

LOCATION: PEMBA

Key tenant:	Bollore
EPRA Vacancy (%):	0.0%
Sector:	Light Industrial
GLA (m <sup>2</sup> ):	2,511
Valuation (US\$'000):	5,795
Valuer:	REC



**Mall de Tete**

LOCATION: TETE

Key tenant:	Shoprite
EPRA Vacancy (%):	34.0%
Sector:	Retail
GLA (m <sup>2</sup> ):	11,255
Valuation (US\$'000):	19,991
Valuer:	REC





## Mozambique



**Commodity Phase 1**

LOCATION: MAPUTO

Key tenant:	Total
EPRA Vacancy (%):	0.0%
Sector:	Office
GLA (m <sup>2</sup> ):	7,529
Valuation (US\$'000):	48,095
Valuer:	REC



**Commodity Phase 2**

LOCATION: MAPUTO

Key tenant:	Exxon Mobil
EPRA Vacancy (%):	0.0%
Sector:	Office
GLA (m <sup>2</sup> ):	3,168
Valuation (US\$'000):	19,348
Valuer:	REC



**Acacia Estate**

LOCATION: MAPUTO

Key tenant:	US Embassy and Total
EPRA Vacancy (%):	0.0%
Sector:	Corporate Accommodation
GLA (m <sup>2</sup> ):	18,400
Valuation (US\$'000):	67,540
Valuer:	REC





## Mozambique



**Vodacom Building**

LOCATION: MAPUTO

Key tenant:	Vodacom
EPRA Vacancy (%):	0.0%
Sector:	Office
GLA (m <sup>2</sup> ):	10,659
Valuation (US\$'000):	49,438
Valuer:	REC



**Hollard Building**

LOCATION: MAPUTO

Key tenants:	KPMG and Hollard
EPRA Vacancy (%):	6.2%
Sector:	Office
GLA (m <sup>2</sup> ):	5,051
Valuation (US\$'000):	21,332
Valuer:	REC



**Vale Housing Estate**

LOCATION: TETE

Key tenants:	Vale & Tsebo Serco
EPRA Vacancy (%):	0.0%
Sector:	Corporate Accommodation
GLA (m <sup>2</sup> ):	25,555
Valuation (US\$'000):	70,654
Valuer:	REC



# Kenya



**Buffalo Mall** (50% ownership)      LOCATION: NAIVASHA

Key tenant:	Tusky's Supermarket
EPRA Vacancy (%):	1.7%
Sector:	Retail
GLA (m²):	5,708
Valuation (US\$'000):	12,790
Valuer:	Knight Frank



**Imperial Warehouse**      LOCATION: NAIROBI

Key tenant:	Imperial Health Sciences
EPRA Vacancy (%):	0.0%
Sector:	Light Industrial
GLA (m²):	13,702
Valuation (US\$'000):	21,370
Valuer:	Knight Frank





# Morocco



AnfaPlace Mall

LOCATION: CASABLANCA

Key tenant:	Carrefour, International Retail Morocco, Alpha 55, Marks & Spencer
Vacancy (GLA) (%):	21.5%
Sector:	Retail
GLA (m2):	31,588
Valuation (US\$'000):	89,363
Valuer:	Knight Frank



# Senegal



Club Med  
Cap Skirring

LOCATION: CAP SKIRRING

Key tenant:	Club Med
EPRA Vacancy (%):	0.0%
Sector:	Hospitality
GLA (m²):	16,462
Valuation (US\$'000):	17,479
Valuer:	Knight Frank





## Zambia



**Mukuba Mall**  
(75% ownership)

LOCATION: KITWE

Key tenants:	Shoprite, Game, Pick & Pay, Mr Price
EPRA Vacancy (%):	4.5%
Sector:	Retail
GLA (m <sup>2</sup> ):	28,236
Valuation (US\$'000):	55,130
Valuer:	Knight Frank



**Cosmopolitan Mall**  
(50% ownership)

LOCATION: LUSAKA

Key tenants:	Shoprite, Edgars, Game, Mr Price, Ok Furniture
EPRA Vacancy (%):	15.2%
Sector:	Retail
GLA (m <sup>2</sup> ):	25,376
Valuation (US\$'000):	62,750
Valuer:	Knight Frank



**Kafubu Mall**  
(50% ownership)

LOCATION: NDOLA

Key tenants:	Shoprite, Jet, OK furniture
EPRA Vacancy (%):	1.1%
Sector:	Retail
GLA (m <sup>2</sup> ):	11,923
Valuation (US\$'000):	19,316
Valuer:	Knight Frank





## Ghana



**Capital Place**  
(47.5% ownership)

LOCATION: ACCRA

Key tenant:	Hollard
EPRA Vacancy (%):	22.5%
Sector:	Office
GLA (m <sup>2</sup> ):	5,271
Valuation (US\$'000):	22,420
Valuer:	Knight Frank



**5th Ave**

LOCATION: ACCRA

Key tenants:	GC Net, ATC Tower
EPRA Vacancy (%):	3.5%
Sector:	Office
GLA (m <sup>2</sup> ):	5,070
Valuation (US\$'000):	19,210
Valuer:	Knight Frank



**Tullow Oil**  
(50% ownership)

LOCATION: ACCRA

Key tenant:	Tullow Oil
EPRA Vacancy (%):	0.0%
Sector:	Office
GLA (m <sup>2</sup> ):	7,262
Valuation (US\$'000):	33,840
Valuer:	Knight Frank





## Mauritius



**ABSA House**

LOCATION: EBENE

Key tenant:	ABSA Bank
EPRA Vacancy (%):	0.0%
Sector:	Office
GLA (m <sup>2</sup> ):	8,266
Valuation (US\$'000):	13,825
Valuer:	Knight Frank



**Beachcomber Hospitality**

(44.42% ownership)

LOCATION:

CANONNIERS RESORT AND SPA  
MAURICIA RESORT AND SPA  
VICTORIA RESORT AND SPA

Key tenant:	Beachcomber
EPRA Vacancy (%):	0.0%
Sector:	Hospitality
GLA (m <sup>2</sup> ):	90,210
Valuation (US\$'000):	214,002
Valuer:	Knight Frank



**Tamassa Resort**

LOCATION: BEL OMBRE

Key tenant:	Lux Island Resorts
EPRA Vacancy (%):	0.0%
Sector:	Hospitality
GLA (m <sup>2</sup> ):	21,567
Valuation (US\$'000):	49,734
Valuer:	Knight Frank



# For More Information

## Key Contacts



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